

Message Text

PAGE 01 KINGST 00633 221954Z

72

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 009046

R 221858Z FEB 74

FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC 4047

INFO AMEMBASSY GEORGETOWN

S E C R E T KINGSTON 633

EXDIS

EO 11652: GDS

TAGS: EMIN, PINT, JM

SUBJECT: BAUXITE SITREP NO \$12

SUMMARY: CONVERSATIONS WITH EMBASSY CONTACTS THIS WEEK
HAVE TURNED UP NO CONFIRMATION OF STORY THAT THE GOVERNMENT PLANS
A COMPLETE TAKEOVER OF THE BAUXITE/ALUMINA INDUSTRY BY JULY 1976.

1. CHARGE AND OTHER EMBOFFS HAVE DISCREETLY QUERIED CONTACTS THIS
WEEK ON GOVERNMENT'S PLANS FOR BAUXITE/ALUMINA INDUSTRY AND
PROBABLY OUTCOME OF FORTHCOMING NEGOTIATIONS. INCLUDED IN IN-
QUIRY WERE G. ARTHUR BROWN, GOVERNOR OF BANK OF JAMAICA AND MEMBER OF
BAUXITE COMMISSION; ROBERT MASON, PERMANENT SECRETARY OF THE PRIME
MINISTER'S OFFICE AND ALSO A MEMBER OF THE BAUXITE COMMISSION;
AND DR GLADSTONE BONNICK, CHIEF OF THE NATIONAL PLANNING AGENCY
IN THE OFFICE OF THE PRIME MINISTER

2. NONE OF THIS WEEKS CONVERSATIONS TURNED UP ANY CONFIRMATION OF
STORY RELATED TO CHARGE BY WASHBURN OF ALCOA THAT GOVERNMENT PLANNED
COMPLETE TAKEOVER OF BAUXITE/ALUMINA INDUSTRY BY JULY 1976 (REFTEL.
CONTACTS INDICATED THAT CHIEF PRIORITIES OF GOVERNMENT STILL
INCREASED REVENUES AND EXPANDED PRODUCTION INCLUDING MORE REFINING OF
BAUXITE TO ALUMINA IN JAMAICA. THIRD PRIORITY APPARENTLY STILL
CONCERNED WITH LAND USE AND DISPOSITION AND WITH OWNERSHIP
OF RESERVES CONSIDERED EXCESS

3. WE HAVE DETECTED SOMEWHAT GREATER INTEREST IN QUESTIONS OF
SECRET

PAGE 02 KINGST 00633 221954Z

OWNERSHIP AND CONTROL THAN PREVIOUSLY, BUT FOUND VERY LITTLE
CLARITY ON PRECISELY WHAT FORMULA MIGHT SATISFY JAMAICAN POLITICAL
AND EMOTIONAL REQUIREMENTS. BONNICK RAISED THE POSSIBILITY OF SEATING
SOME JAMAICANS ON THE BOARDS OF DIRECTORS OF THE LOCA OPERATING

COMPANIES AND DISCUSSED VARIOUS TOCK OPTION SCHEMES. MASON SAID THAT THE GOVERNMENT MAY APPROACH ALCAN SOMEWHAT DIFFERENTLY IN THE FORTHCOMING NEGOTIATIONS, NOT BECAUSE IT IS NOMINALLY CANADIAN, BUT BECAUSE THE LOCAL OPERATING COMPANY IS LEGALLY A JAMAICAN CORPORATION. HE ALSO SAID THAT THE NATIONAL ELECTIONS OF 1977 ARE LIKELY TO BE THE GOVERNMENT'S NEXT MAJOR POLITICAL TEST, AND THAT NATURALLY THE PRIME MINISTER WILL WANT TO BE ABLE TO DEMONSTRATE SOLID PROGRESS IN THE GOVERNMENT'S RELATIONS WITH THE BAUXITE INDUSTRY BY THAT TIME. HOWEVER, HE POINTED OUT THAT ANYONE WHO WAS UNCERTAIN ABOUT JAMAICAN POLICIES ON NATIONALIZATION OUGHT TO READ ITS CONSTITUTION, WHICH SPECIFICALLY REQUIRES THAT JUST COMPENSATION BE PAID FOR PRIVATE PROPERTY TAKEN OVER FOR PUBLIC PURPOSES. HE ADDED THAT IF THE COMPANIES WANTED TO LISTEN TO RUMORS THAT WAS THEIR BUSINESS, BUT THE PRIME MINISTER'S DOOR WAS ALWAYS OPEN TO THEM IF THEY WISHED TO COME TO SEE HIM.

4. COMMENT: IT CONTINUES TO LOOK AS IF THE STORY FED TO WASHBURN BY ISAACS WAS EITHER A NEGOTIATION PLOY ON THE PART OF THE GOVERNMENT DESIGNED TO SOFTEN UP THE INDUSTRY IN PREPARATION FOR THE COMING NEGOTIATIONS, OR SOME KIND OF PERSONAL STRATEGY OF ISAACS. IT IS NOT IMPOSSIBLE THAT PM MIGHT SPRING A SURPRISE ON US AND THE INDUSTRY (AND FOR THAT MATTER ON THE JAMAICAN PUBLIC). SUCH AN ACTION WOULD ACCORD WITH HIS PERSONAL STYLE. HOWEVER THE ODDS DON'T FAVOR IT IN A MATTER AS IMPORTANT AS THIS ONE, AND ONE INVOLVING AS MANY CONFLICTING AND DIVERGING INTERESTS AS BAUXITE DOES. HEWITT

SECRET

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: Z
Capture Date: 27 JUL 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN RELATIONS, BAUXITE, POLITICAL SITUATION, MINING INDUSTRY, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 22 FEB 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KINGST00633
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: P740146-0063
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740268/abbrzawkw.tel
Line Count: 83
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 16 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 SEP 2002 by elyme>; APPROVED <09 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BAUXITE SITREP NO \$12
TAGS: EMIN, PINT, US, JM
To: STATE INFO GEORGETOWN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005